

**Amendments to the Specification:**

Please replace the paragraph beginning on Page 5, line 1 and ending on line 13 with the amended paragraph as set forth below. Applicants aver that no new matter has been added.

--[0015] Referring now to Figure 2, it will be seen that a chain 29 of air-filled packing pillows enters conveyor 10 through entrance duct 23, and then proceeds through entrance aperture 21 into duct 16. In the embodiment illustrated, duct 16 has a curved upper portion 30, and a generally horizontal portion 31 terminating at an outlet end 20. Curved upper portion 30 assists in changing the longitudinal direction of the chain 29 of air-filled packing pillows from generally vertical to generally horizontal so that the chain 29 can be conveyed for a short distance in the horizontal direction (i.e. toward the elevated mouth of a container, which cannot occupy the same space as duct 16). Upon emerging from outlet end 20, the chain 29 of air-filled packing pillows is directed by deflector 22, under the influence of the air stream generated by pump 14 as well as the effect of gravity, toward the desired location beneath outlet end 20. A container 33 can be positioned beneath the outlet end 22 to hold the chain 29 of air-filled packing pillows. The container 33 may be supported on legs on the surface 11 or from overhead.--